



Australian Day Hospital Association

ABN 37 054 719 050

...supporting day hospitals

Position Statement addressing the potential changes in the Private Health Insurance Rebate/Funding Model

Who are we?

The Australian Day Hospital Association (ADHA), is a public company, governed by a Constitution and was first registered with ASIC on 1 July 1992. Currently ADHA has a Board of four Directors from the states of Queensland, Victoria, New South Wales and Western Australia.

ADHA represents stand-alone day hospitals across Australia and has Affiliate Memberships for small private overnight hospitals under 100 beds, who are not aligned with any corporate hospital entity. There are approximately 280 stand alone day hospitals Australia-wide of which 44% are ADHA Members, a number which is increasing steadily each year.

What is our business/industry?

The ADHA membership provides services to both public, self insured and privately insured patients in stand-alone day hospitals that are independent of inpatient facilities and offer the community quality, cost effective and efficient health care in the areas of diagnostic, surgical and medical treatment. Of all elective surgical procedures performed in Australia, 57% are performed in day surgery settings (*ref. Australian Institute of Health and Welfare - AIHW*), which includes those performed in inpatient facilities with integrated day procedure units and stand-alone day hospitals.

The day hospital setting is appropriate for many common surgical procedures including endoscopy, ophthalmic surgery, gynaecology, IVF, general surgery, orthopaedics, plastic surgery, urology, and cosmetic surgery as well as many oral surgical procedures. Paediatric surgery, particularly ear, nose and throat procedures, lends itself to this setting with minimal disruption to the family and limited exposure to health care facilities for the child. Some of our members have a 23 hour day hospital licence which facilitates the performance of more advanced procedures providing the admission is within the 23 hour period. Medical day hospitals include treatment for renal dialysis, chemotherapy and psychiatric care.

What is the key benefit of our Association to the community?

- Due to the specialisation of day hospitals, the competence of staff is extremely high.
- Day Hospitals offer the community efficient, cost effective, low risk care in a short period of time, average 2-4 hours.
- Patients return to work quicker with less impact on them, the community, business costs in terms of sick leave and loss of productivity.
- Significant cost savings to the individual, the community and potentially the public health system due to the minimal complication and infection rates as a result of comprehensive expert pre-admission patient assessment resulting in very minimal patient cancellation and transfer rates.

What is the issue and ADHA's concern?

The Association is of the opinion that any proposed change to the current funding model and insurance rebate provisions as recently publicised, would significantly impact on the provision of health services across Australia.

A reduction in the current health insurance rebate provisions has the potential to force many Australian families to discontinue their private health insurance thereby adding significant demands on an already overstretched and stressed public health sector. Any change in funding, would have significant negative impacts on the waiting times for diagnostic, medical and surgical health care.

Should a Bill proposing changes to the current funding system be tabled in the Federal House of Representatives the Association urges all sitting members to give this their full consideration in light of the potential societal impacts. We believe that any further burden to the public health system can only result in an increase in negative health outcomes for community health in general.

The benefits to the community, of an affordable private health insurance scheme, cannot be qualified. The ability for members of the public to access private health care undoubtedly reduces the burden on an already over extended public system. The benefits and improved community health outcomes that exist under the current funding model should not be compromised.

Conclusion

Stand-alone day hospitals offer the Australian community a unique service in an expanding area of health care which is cost effective, has a low impact on the business/industrial community, and the family due to the rapid, efficient and effective health care with minimal complications, provided on a same day basis. Any changes to the current system of funding the provision of this health care service threatens the level of health care service available to the community because it would effectively limit access.

The ADHA urges you to reject any detrimental changes to the current private health funding model and to support the growth in day hospital care which provides health care services to the Australian community and complements services provided by the Public Health Sector, thus continuing to provide high quality, cost effective and efficient medical care to Australian families.

Private health services are integral to the provision of high quality health care in Australia and we believe the introduction of the proposed change to eliminate or means test the current 30% rebate on private health insurance contributions should not be supported.

ADHA Board of Directors



Jane Griffiths (ADHA President)



Debra Pearce (ADHA Vice President)



Leanne Kemp (ADHA Treasurer)



Julie Baker (Director)

3 May 2011